

Thu 7/18/2019 10:19 AM

Budget and Resource Planning <budget@uoregon.edu>

New Payables Process: Single Use Account (SUA) Virtual Card Payment Program

Dear Internal Partner,

Please be advised University of Oregon is implementing the use of a Single Use Account (SUA) virtual card payment program through J.P. Morgan.

Adding a virtual card to our payables suite has several benefits:

- reduces time, resources and cost spent on check-cutting, reconciliation and exceptions
- facilitates and simplifies reconciliation and reporting
- reduces fraud risk compared to other types of payables
- provides financial benefits via rebate revenue and improved working capital

How does SUA work? Each SUA supplier payment originated carries a single 16-digit virtual account number. The credit limit on each virtual account number is set to the specific amount of each payment. The supplier receives a notification (via email or portal) that a payment is ready to process, and is able to process the card payment via their merchant terminal.

What are the supplier benefits to accepting payment via SUA?

- accelerated payments that will help reduce days sales outstanding (DSO)
- a simplified process that eliminates the cost of processing checks
- eliminating the need to store sensitive payment information that could potentially be compromised
- expedited reconciliation by taking advantage of our electronic payment notification

The acceptance of SUA payments comes with no additional costs from J.P. Morgan or us, although merchant processing fees apply. Vendors often factor card acceptance into their pricing/overhead model.

Supplier outreach strategy: J.P. Morgan will be reaching out to enroll suppliers on SUA in the next few weeks. In order to optimize supplier acceptance we are strongly encouraging supplier participation and implementing the following payment terms incentive: Upon enrollment in our SUA program, we will convert suppliers' payment terms to immediate payment upon. For suppliers that choose to stay with their current payment method, we will be increasing payment terms to Net 30 days, where contractually applicable. Our goal is to streamline our AP processes as much as possible.

The supplier outreach campaign is expected to last approximately 10-12 weeks. If you receive any phone calls or emails from any suppliers wishing to confirm the J.P. Morgan recruitment team is contacting them on our behalf, please endorse this program using the supplier benefit talking points above and assure the supplier that the outreach from J.P. Morgan is legitimate.

If you have any questions about our SUA payment program, contact Greg Shabram at (541) 346-3742 or email gshabram@uoregon.edu.

Thank you for your partnership in ensuring the smooth implementation of this new payment program.

Sincerely,

Kelly Wolf
AVP Business Affairs/Controller
University of Oregon